United Nations A/53/613

General Assembly

Distr.: General
4 December 1998

Original: English

Fifty-third session
Agenda item 98

Implementation of the first United Nations Decade for the Eradication of Poverty (1997–2006)

Report of the Second Committee

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I. Introduction

1. At its 3rd plenary meeting, on 15 September 1998, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its fifty-third session the item entitled "Implementation of the first United Nations Decade for the Eradication of Poverty (1997–2006)" and to allocate it to the Second Committee.

2. The Second Committee considered the item at its 31st to 33rd, 36th and 42nd meetings, on 2, 3 and 10 November and on 1 December 1998. An account of the Committee's discussion of the item is contained in the relevant summary records (A/C.2/53/SR.31–33, 36 and 42). Attention is also drawn to the general debate held by the Committee at its 3rd to 7th meetings, on 6, 8 and 9 October (see A/C.2/53/SR.3–7).

3. For its consideration of the item, the Committee had before it the following documents:

(a) Report of the Secretary-General on the role of microcredit in the eradication of poverty (A/53/223 and Add.1);

(b) Report of the Secretary-General on the implementation of the first United Nations Decade for the Eradication of Poverty (1997–2006) (A/53/329);

(c) Letter dated 23 February 1998 from the Chargé d'affaires a.i. of the Permanent Mission of the Islamic Republic of Iran to the United Nations addressed to the Secretary-General, transmitting the final documents of the eighth session of the Islamic Summit Conference, held at Tehran from 9 to 11 December 1997 (A/53/72–S/1998/156);

(d) Letter dated 8 April 1998 from the Permanent Representative of Qatar to the United Nations addressed to the Secretary-General, transmitting the final communiqué of

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the twenty-fifth session of the Islamic Conference of Foreign Ministers, held at Doha from 15 to 17 March 1998 (A/53/95–S/1998/311);

(e) Letter dated 29 September 1998 from the Permanent Representative of Indonesia to the United Nations addressed to the Secretary-General, transmitting the Ministerial Declaration of the Group of 77 and China, adopted at the 22nd meeting of Ministers for Foreign Affairs of the Group of 77, held at United Nations Headquarters on 25 September 1998 (A/53/466);

(f) Note by the Secretariat transmitting the text of the statement made by the Under-Secretary-General for Economic and Social Affairs to the Second Committee in introducing the report of the Secretary-General on the role of microcredit in the eradication of poverty (A/C.2/53/7).

4. At the 31st meeting, on 2 November, the Under-Secretary-General for Economic and Social Affairs made an introductory statement (see A/C.2/53/SR.31).

II. Consideration of proposals

A. Draft resolution contained in document A/C.2/53/L.18

5. By its resolution 1998/28 of 29 July 1998, the Economic and Social Council recommended to the General Assembly the adoption of a draft resolution entitled "International Year of Microcredit 2005" (see A/C.2/53/L.18).

6. At the 36th meeting, on 10 November, the Vice-Chairman of the Committee, David Prendergast (Jamaica), informed the Committee of the outcome of the informal consultations held on the draft resolution.

7. The Secretary of the Committee made a statement (see A/C.2/53/SR.36).

8. At the same meeting, the Committee adopted the draft resolution contained in document A/C.2/53/L.18 without a vote (see para. 14, draft resolution I).

B. Draft resolutions A/C.2/53/L.27 and A/C.2/53/L.48

9. At the 36th meeting, on 10 November, the representative of *Indonesia*, on behalf of the States Members of the United Nations that are members of the Group of 77 and *China*, introduced a draft resolution entitled "Implementation of the first United Nations Decade for the Eradication of Poverty" (A/C.2/53/L.27), which read:

"*The General Assembly*,

"*Recalling* its resolutions 50/107 of 20 December 1995 and 52/193 and 52/194 of 18 December 1997 related to the observance of the International Year for the Eradication of Poverty, to the first United Nations Decade for the Eradication of Poverty and to the role of microcredit in the eradication of poverty, and all its other relevant resolutions relating to international cooperation for the eradication of poverty in developing countries,

"*Recalling also* the declarations and programmes of action of the United Nations major conferences and summits in the 1990s as they relate to poverty eradication,

"*Taking note* of the report of the Secretary-General[1] and the report of the United Nations Development Programme on overcoming human poverty,

"*Expressing its concern* that the number of people living in poverty is still increasing, especially in developing countries, and that a large majority of them are women and children,

"*Recognizing* that in the process of globalization, the marginalization of many developing countries and of disadvantaged groups of people have created constraints to the efforts to eradicate poverty,

"*Expressing also its concern* that financial and economic turmoil has aggravated the existing poverty and put a large number of people back to conditions of poverty in developing countries,

"*Noting* the decisions, measures and activities undertaken to eradicate poverty by countries and by organizations, agencies, funds, programmes and bodies of the United Nations system, including the World Bank, as well as by all sectors of societies within the framework of the first United Nations Decade for the Eradication of Poverty,

"1. *Reiterates* that the main objective of the first United Nations Decade for the Eradication of Poverty is to achieve the goal of eradicating absolute poverty and reducing overall poverty substantially in the world through decisive national actions and international cooperation;

"2. *Calls for* strengthened efforts at all levels to implement fully and effectively the relevant resolutions and decisions of the United Nations and all agreements and commitments agreed upon at the United Nations major conferences and summits organized since 1990 as they relate to poverty eradication, with a view to achieving the objectives of the Decade as early as possible;

"3. *Stresses* the importance of tackling the root causes of poverty and the necessity to meet the basic needs of all, and, in this context, emphasizes the fundamental role of economic growth with equity in the eradication of poverty;

"4. *Recognizes* that the process of globalization brings with it new challenges, particularly for the developing countries and the least developed among them in their efforts to eradicate poverty;

"5. *Calls for* concrete and concerted actions by the international community to create an enabling economic environment to assist developing countries to combat the negative impacts of globalization and marginalization and to reactivate the development process;

"6. *Welcomes* the formulation and implementation of national plans and strategies for poverty eradication, including setting time-bound goals and targets for the substantial reduction of overall poverty and the eradication of absolute poverty, based on specific national development strategies, and encourages their continuous implementation, as well as the exchanges of experiences gained in this regard;

"7. *Urges* the developed countries that have not yet done so to achieve as soon as possible the agreed target of 0.7 per cent of their gross national product for overall official development assistance and, within that target, to earmark 0.15 to 0.20 per cent of the gross national product for the least developed countries;

[1] A/53/329.

"8. *Calls upon* the international community, including multilateral financial institutions, to implement fully and effectively all initiatives taken regarding debt relief for developing countries, in particular the least developed countries, and thus support their efforts to eradicate poverty;

"9. *Recognizes* the role of microcredit as an essential anti-poverty tool, resulting in the generation of productive self-employment and empowerment, especially of women, by providing access to small amounts of capital, encourages Governments to adopt policies that support the development of microcredit institutions and their capacities and calls on the international community, in particular the relevant organs, organizations and bodies of the United Nations system as well as the World Bank and other international financial institutions to support and incorporate, as appropriate, microcredit and related services in their programmes for the eradication of poverty;

"10. *Welcomes* the initiative taken by the Economic and Social Council to strengthen coordination for the integrated implementation of the outcomes of the major United Nations conferences and summits in the 1990s, where poverty eradication had been a cross-cutting theme;

"11. *Notes with appreciation* the efforts made within the United Nations system to enhance inter-agency coordination among relevant organizations, funds and programmes, and the Bretton Woods institutions, for the integrated follow-up to the major United Nations conferences and summits, including the adoption of the Statement of Commitment on Coordination for Action to Eradicate Poverty by the Administrative Committee on Coordination, and encourages these agencies to take more effective action in support of Member States in their efforts to achieve the objectives of the Decade;

"12. *Reiterates* its call to all donors to give high priority to the eradication of poverty in their development assistance programmes, on both bilateral and multilateral bases, and invites the relevant funds, programmes and agencies of the United Nations system to support developing countries, particularly African countries and the least developed countries, in their efforts to achieve the overall goal of eradicating poverty, by supporting national efforts to formulate, coordinate, implement, monitor and assess integrated poverty strategies;

"13. *Decides* that the themes for the International Day for the Eradication of Poverty for 1999 and 2000 shall be 'Globalization and poverty eradication' and 'Women's role in poverty eradication', respectively;

"14. *Requests* the Secretary-General to report to it at its fifty-fourth session on the progress made in the implementation of measures, recommendations and activities related to the first United Nations Decade for the Eradication of Poverty, including recommendations for possible actions and initiatives towards the new millennium;

"15. *Decides* to include in the provisional agenda of its fifty-fourth session an item entitled 'Implementation of the first United Nations Decade for the Eradication of Poverty (1997–2006)'."

10. At the 42nd meeting, on 1 December, the Vice-Chairman of the Committee, David Prendergast (Jamaica), introduced a draft resolution entitled "Implementation of the first United Nations Decade for the Eradication of Poverty" (A/C.2/53/L.48), which he submitted on the basis of informal consultations held on draft resolution A/C.2/53/L.27.

11. At the same meeting, the Committee adopted draft resolution A/C.2/53/L.48 without a vote (see para. 14, draft resolution II).

12. In the light of the adoption of draft resolution A/C.2/53/L.48, draft resolution A/C.2/53/L.27 was withdrawn by its sponsors.

C. Draft decision

13. At its 42nd meeting, on 1 December, on the proposal of the Chairman, the Committee decided to recommend to the General Assembly that it take note of the report of the Secretary-General on the role of microcredit in the eradication of poverty (A/53/223) (see para. 15).

III. Recommendations of the Second Committee

14. The Second Committee recommends to the General Assembly the adoption of the following draft resolutions:

Draft resolution I

International Year of Microcredit, 2005

The General Assembly,

Recalling its resolution 52/194 of 18 December 1997 on the role of microcredit in the eradication of poverty,

Recognizing that microcredit programmes have successfully contributed to lifting people out of poverty in many countries around the world,

Bearing in mind that microcredit programmes have especially benefited women and have resulted in the achievement of their empowerment,

Recognizing that microcredit programmes, in addition to their role in the eradication of poverty, have also been a factor contributing to the social and human development process,

Bearing in mind the importance of microfinance instruments such as credit, savings and related business services in providing access to capital for people living in poverty,

Noting the support to microcredit in the outcomes of different summit and high-level meetings, including the Twelfth Ministerial Conference of the Movement of Non-Aligned Countries, held at New Delhi on 7 and 8 April 1997,[2] the Ninth Summit of the South Asian Association for Regional Cooperation, held at Male from 12 to 14 May 1997,[3] the Assembly of Heads of State and Government of the Organization of African Unity at its thirty-third ordinary session, held at Harare from 2 to 4 June 1997,[4] the statement on economic and financial issues of the Group of Seven, issued at Denver, United States of America, on 21 June 1997, the substantive session of 1997 of the Economic and Social Council, held at Geneva from 30 June to 25 July 1997, the Commonwealth Heads of Government meeting,

[2] See A/51/912–S/1997/406, annex; see *Official Records of the Security Council, Fifty-second Year, Supplement for July, August and September 1997*, document S/1997/406.

[3] See A/52/222, annex.

[4] See A/52/465, annex II.

held at Edinburgh from 24 to 27 October 1997 and the Thirteenth Ministerial Conference of the Movement of Non-Aligned Countries, held at Cartagena, from 18 to 20 May 1998,[5]

Noting also that 2005 is the final year of the campaign of the Microcredit Summit, which was held in Washington, D. C., from 2 to 4 February 1997 and which, through its Declaration and Plan of Action,[6] endorsed a global campaign to reach 100 million of the world's poorest families, especially the women of those families, with credit for self-employment and other financial and business services, by that year,

Noting further that the international community is observing the period 1997–2006 as the first United Nations Decade for the Eradication of Poverty,

1. *Proclaims* the year 2005 as the International Year of Microcredit;

2. *Requests* that the observance of the Year be a special occasion for giving impetus to microcredit programmes throughout the world;

3. *Invites* Governments, the United Nations system, all concerned non-governmental organizations, other actors of civil society, the private sector and the media to highlight and give enhanced recognition to the role of microcredit in the eradication of poverty, its contribution to social development and its positive impact on the lives of people living in poverty;

4. *Invites* all involved in the eradication of poverty to consider taking additional steps, including the strengthening of existing and emerging microcredit institutions and their capacities, so that credit and related services for self-employment and income-generating activities may be made available to an increasing number of people living in poverty, and to further develop, where appropriate, other microfinance instruments;

5. *Invites* the Secretary-General to submit to it at its fifty-eighth session a report containing a draft programme of action for the effective observance of the Year, in consultation with all relevant actors including United Nations bodies, under an item entitled "First United Nations Decade for the Eradication of Poverty" to be included in the provisional agenda of that session.

Draft resolution II

Implementation of the first United Nations Decade for the Eradication of Poverty

The General Assembly,

Recalling its resolutions 50/107 of 20 December 1995 and 52/193 and 52/194 of 18 December 1997 relating to the observance of the International Year for the Eradication of Poverty and the first United Nations Decade for the Eradication of Poverty (1997–2006), and all of its other relevant resolutions relating to international cooperation for the eradication of poverty in the developing countries,

Recalling also the declarations and programmes of action of the United Nations major conferences and summit conferences in the 1990s as they relate to the eradication of poverty,

[5] A/52/970–S/1998/574.

[6] A/52/113, annex I.

Taking note of the report of the Secretary-General on the implementation of the first United Nations Decade for the Eradication of Poverty (1997–2006)[7] and the report of the United Nations Development Programme, *Overcoming Human Poverty*,[8]

Expressing its concern that the total number of people living in poverty is still increasing, especially in developing countries, and that a large majority of them are women and children,

Recognizing that while the rates of poverty in some countries have been reduced, some developing countries and disadvantaged groups are being marginalized while others are at risk of being marginalized and effectively excluded from the benefits of globalization, thereby constraining efforts to eradicate poverty,

Expressing its concern that the financial crisis has aggravated the existing poverty in the countries affected and placed a large number of people once again in conditions of poverty in the developing countries affected either directly or indirectly by the crisis,

Recognizing that while it is the primary responsibility of States to attain social development, the international community should support the efforts of the developing countries in eradicating poverty and ensuring basic social protection,

Noting the decisions, measures and actions taken to eradicate poverty by countries and by organizations, agencies, funds, programmes and bodies of the United Nations system, including the World Bank, as well as by civil society, including non-governmental organizations, within the framework of the first United Nations Decade for the Eradication of Poverty,

1. *Reiterates* that the main objective of the first United Nations Decade for the Eradication of Poverty is to achieve the goal of eradicating absolute poverty and reducing overall poverty substantially in the world through decisive national action and international cooperation;

2. *Calls* for strengthened efforts at all levels to implement fully and effectively the relevant resolutions and decisions of the United Nations and all agreements and commitments agreed upon at United Nations major conferences and summit conferences organized since 1990 as they relate to the eradication of poverty, with a view to achieving the objectives of the Decade as early as possible;

3. *Reaffirms* that, within the context of overall action for the eradication of poverty, special attention should be given to the multidimensional nature of poverty, and the national and international framework conditions and policies that are conducive to its eradication by fostering, *inter alia*, social and economic integration of people living in poverty, thus empowering them to participate in decision-making on policies that affect them, the promotion and protection of all human rights and fundamental freedoms for all, including the right to development, and an efficient, transparent and accountable public service and administration;

4. *Reaffirms also* that the causes of poverty should be addressed in the context of sectoral strategies, such as those on environment, food security, population, migration, health, shelter and human resources development, including education, fresh water, rural development and productive employment, and of the specific needs of disadvantaged and vulnerable groups, in such a way as to increase opportunities and choices for people living

[7] A/53/329.

[8] United Nations publication, Sales No. E.99.III.B.2.

in poverty and enable them to build their strength and assets so as to achieve social and economic integration;

5. *Stresses* the importance of tackling the root causes of poverty and the necessity of meeting the basic needs of all and, in this context, emphasizes the fundamental role in the eradication of poverty of economic growth that favours the poor and creates employment and promotes equitable income distribution;

6. *Recognizes* that the process of globalization brings with it opportunities but also poses new challenges, in particular for the developing countries and the least developed among them in their efforts to eradicate poverty;

7. *Recognizes also* the importance of appropriate policy responses to the challenges of globalization at the national level, in particular by pursuing sound and stable domestic policies, including, *inter alia*, sound macroeconomic and social policies, so as to realize the objective of the eradication of poverty;

8. *Calls* for continued action by the international community to create an enabling economic environment and to further assist developing countries in their efforts to combat the negative impact of globalization, fight marginalization and pursue their development;

9. *Reaffirms* that all Governments and the United Nations system, in particular the relevant funds, programmes and agencies, should promote an active and visible policy of mainstreaming a gender perspective and use gender analysis as a tool for the integration of a gender dimension into the planning and implementation of policies, strategies and programmes on the eradication of poverty;

10. *Emphasizes* that, in developing countries, rural development remains central to efforts to eradicate poverty, and that this often includes agrarian reform, investment in infrastructure, extension of rural financial intermediation, measures to ensure food security, the provision of better education, greater utilization of appropriate technology, fair prices to provide incentives for agricultural investment and increased productivity, including productivity in the informal sector;

11. *Emphasizes also* that in all countries urban poverty should be addressed, *inter alia*, by promoting sustainable livelihoods for people living in urban poverty through the provision or expansion of access to training, education and other employment assistance services, in particular for women, youth, the unemployed and the underemployed;

12. *Welcomes* the fact that a considerable number of countries have formulated plans and programmes to fight poverty and, in this context, notes the efforts made to achieve the target of reducing by one half, by 2015, the proportion of people living in extreme poverty, and invites all Governments that have not yet done so to formulate or strengthen integrated poverty eradication policies and implement national poverty eradication plans or programmes, in a participatory manner, in order to address the structural cause of poverty, encompassing action at the local, national, subregional, regional and international levels, and stresses that those plans or programmes should establish, taking into account specific national circumstances, strategies, including affordable time-bound goals and targets, for the substantial reduction of overall poverty and the eradication of absolute poverty;

13. *Calls upon* the developed countries to strengthen their efforts to achieve, as soon as possible, the agreed target of 0.7 per cent of their gross national product for overall official development assistance and, where agreed, within that target, to earmark 0.15 to 0.20 per cent of gross national product for the least developed countries;

14. *Calls upon* the international community, including multilateral financial institutions, to implement fully and effectively all initiatives taken regarding debt relief for

developing countries, in particular the least developed countries, and thus support their efforts to eradicate poverty;

15. *Emphasizes* the importance of increasing the control of the poor over resources, including land, skills, knowledge, capital and social connections;

16. *Emphasizes also* the role of microcredit as an important anti-poverty tool that promotes the generation of productive self-employment and empowers people living in poverty, especially women, and therefore encourages Governments to adopt policies that support the development of microcredit institutions and their capacities, and calls upon the international community, in particular the relevant organs, organizations and bodies of the United Nations system and international and regional financial institutions involved in the eradication of poverty, to support and explore the incorporation of the microcredit approach in their programmes and the further development, as appropriate, of other microfinance instruments;

17. *Welcomes* the initiative taken by the Economic and Social Council to strengthen coordination for an integrated implementation of the outcome of the major United Nations conferences and summit conferences in the 1990s, where the eradication of poverty had been a cross-cutting theme;

18. *Notes with appreciation* the efforts made within the United Nations system to enhance inter-agency coordination among relevant organizations, funds and programmes and the Bretton Woods institutions for the integrated follow-up to the United Nations major conferences and summit conferences, including the adoption by the Administrative Committee on Coordination of the statement of commitment on coordination for action to eradicate poverty, and encourages those agencies to take more effective action in support of Member States in their efforts to achieve the objectives of the Decade;

19. *Reiterates its call* to all donors to give high priority to the eradication of poverty in their development assistance programmes, on both a bilateral and a multilateral basis, and invites the relevant funds, programmes and agencies of the United Nations system to support developing countries, in particular African countries and the least developed countries, in their efforts to achieve the overall goal of eradicating absolute poverty, reduce substantially overall poverty and ensure basic social services, by supporting national efforts to formulate, coordinate, implement, monitor and assess integrated poverty strategies, including capacity-building, and by supporting efforts to empower people living in poverty;

20. *Notes with appreciation* all initiatives aimed at or contributing to the eradication of poverty that have been undertaken by countries and international organizations, and encourages continuous action and further cooperation among the various initiatives;

21. *Reaffirms* the importance of agreeing on a mutual commitment between interested developed and developing country partners to allocate, on average, 20 per cent of official development assistance and 20 per cent of the national budget, respectively, to basic social programmes, and welcomes the efforts made to implement the 20/20 initiative,[9] which emphasizes that promoting access for all to basic social services is essential for sustainable and equitable development and is an integral part of the strategy for the eradication of poverty;

[9] See *Report of the World Summit for Social Development, Copenhagen, 6–12 March 1995* (United Nations publication, Sales No. E.96.IV.8), chap. I.

22. *Decides* that the themes for the International Day for the Eradication of Poverty in 1999 and 2000 shall be, respectively, "Women and the eradication of poverty" and "Globalization and the eradication of poverty";

23. *Requests* the Secretary-General to report to it at its fifty-fourth session on the progress made in the implementation of measures, recommendations and activities related to the first United Nations Decade for the Eradication of Poverty, including recommendations for possible action and initiatives towards the new millennium and proposals for better coordination of action taken by the United Nations system;

24. *Decides* to include in the provisional agenda of its fifty-fourth session the item entitled "Implementation of the first United Nations Decade for the Eradication of Poverty (1997–2006)".

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15. The Committee also recommends to the General Assembly the adoption of the following draft decision:

Report of the Secretary-General on the role of microcredit in the eradication of poverty

The General Assembly takes note of the report of the Secretary-General on the role of microcredit in the eradication of poverty.[10]

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[10] A/53/223.